

ADB Technical Assistance: Facilitation of Regional Transit Trade in CAREC

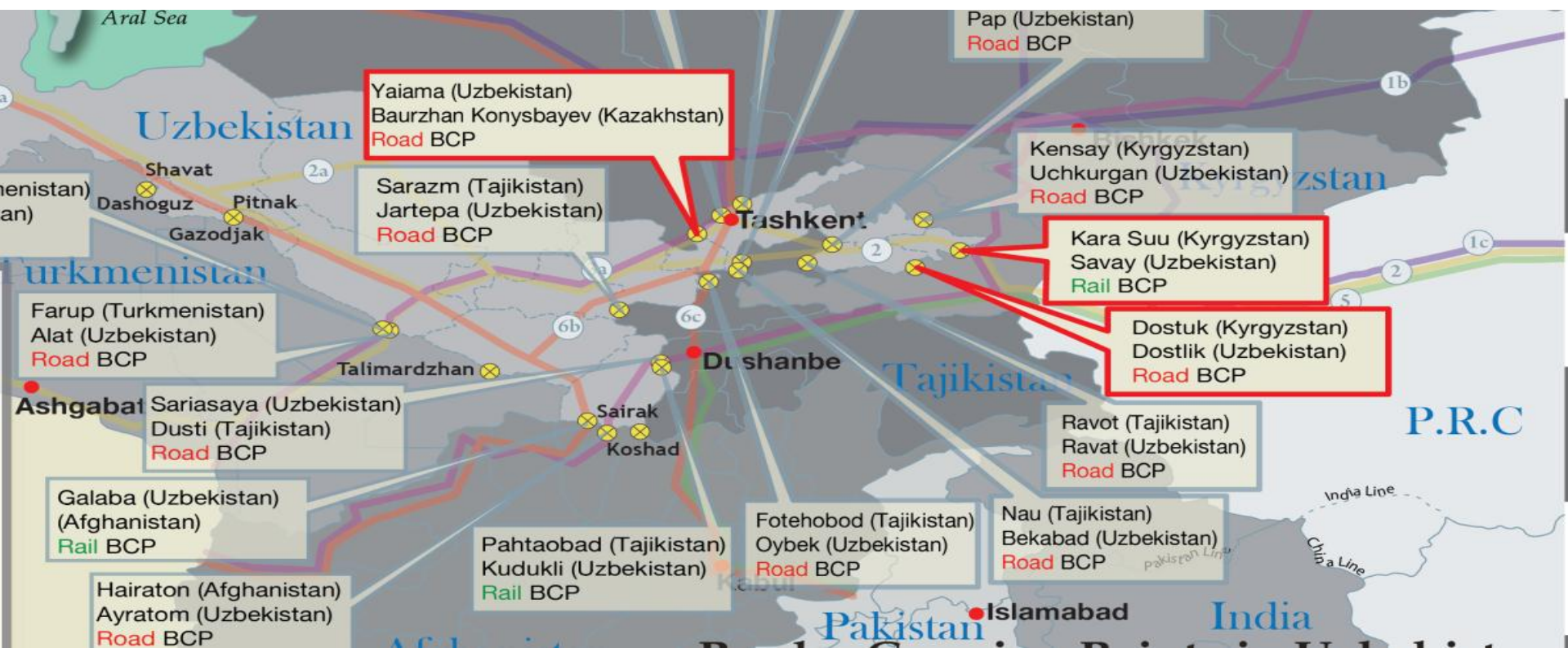
An Introduction to the Project (22 September 2014)



In association with



MDR Group, LLP



Presentation Structure

- Rationale and Strategic Framework
- TA Aims and Objectives
- Main Task Groups
- Stakeholder Engagement Plan
- Summary of Deliverables and Program
- Lessons Learnt from Previous CAREC TAs
- Project Organization and Contact Information

Rationale and Strategic Framework

CAREC – A Dynamic Region

As introduced in the Transport and Trade Facilitation Strategy 2020 (TTFS):

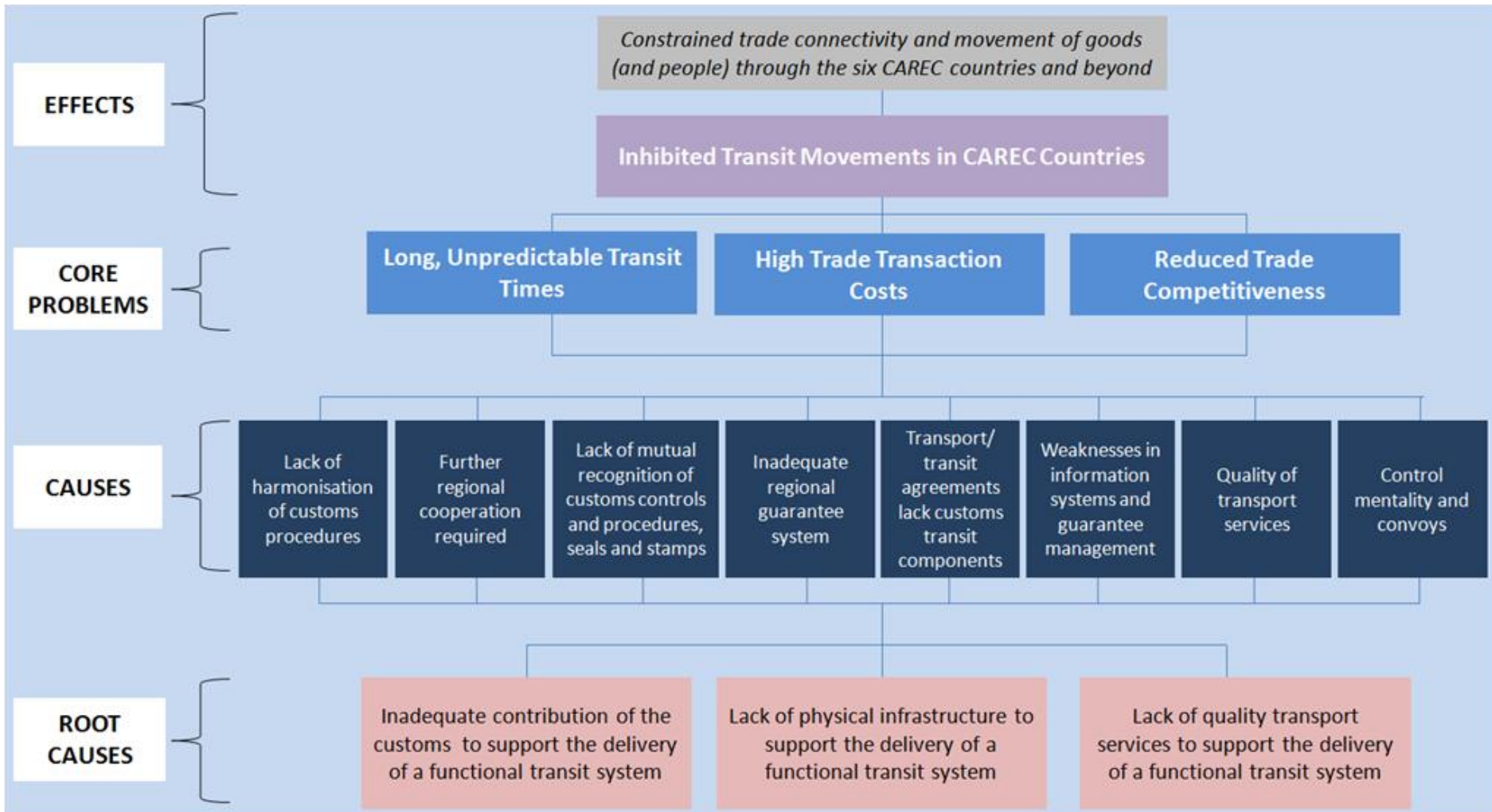
- **Impact of a rising PRC economy**
- **Lessening dominance of the east-west corridors**
- **Increasing trade between CAREC countries versus greater trade with countries outside CAREC region**
- **Growing interest in East Asia to Europe transit via CAREC; movements that originate or terminate in CAREC countries.**
- **Eurasian Economic Union impact**

Rationale and Strategic Framework (cont.)

CAREC 2020 Strategic Framework highlights:

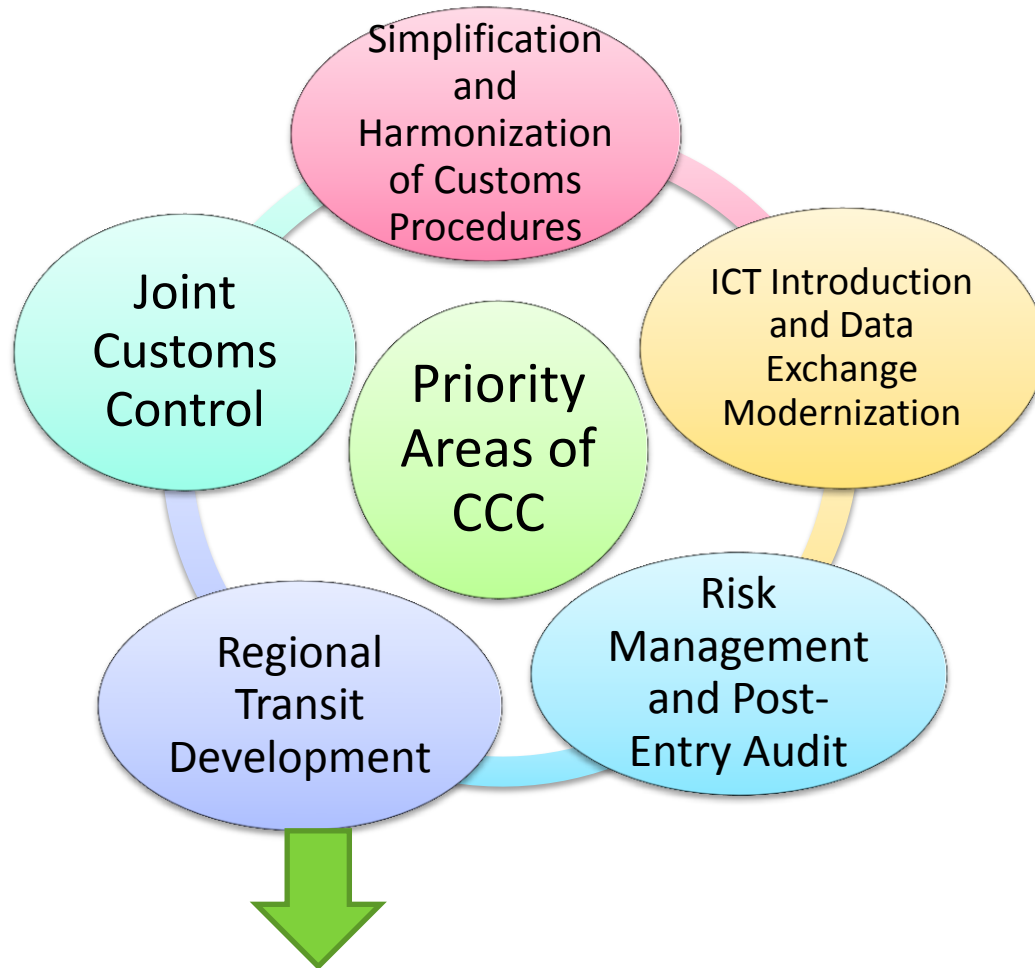
- **Trade Expansion:** to increase trade through transport connectivity, facilitation of cross-border movement of goods and people, trade openness and energy trade
- **Improved Competitiveness:** to improve industrial competitiveness through transport connectivity, development of economic corridors and energy sector cooperation.

Outline Problem Tree Analysis



NB: Based on CAREC publications and CCC Meeting proceedings. To be fully developed and finalized during Inception Stage.

TA as a part of the Customs Cooperation Committee (CCC) Strategy



**ADB TA-8586: Facilitation
of Regional Transit Trade in
CAREC**

Role of the CCC:

- To guide strategic decision making and planning for all trade facilitation-related investments within CAREC region
- To coordinate other sector-wide issues and activities

TA Aims and Objectives

TA Financing

The Japan Fund for Poverty Reduction (JFPR) has committed US\$1.5 million, approved in December 2013, to the financing of this technical assistance.

Overall Aim of the TA

To make recommendations to remove customs-related impediments to transit through the CAREC corridors.

Specific Objectives of the TA

- To identify the major CAREC corridors and their transit operation characteristics;
- To identify major impediments within current transit systems;
- To recommend solutions to develop a regional guarantee system;
- To prepare the legislative requirements for a regional transit system;
- To recommend an ICT system to support a regional transit regime; and
- To identify a suitable corridor to pilot test the recommended transit regime.

Main Task Groups

- **Task Group 1:** Identification of Priority Transit Corridors
- **Task Group 2:** Single Regional Guarantee Mechanism
- **Task Group 3:** Legal and Regulatory Framework
- **Task Group 4:** ICT Support Systems and Information Sharing
- All underpinned by a Stakeholder Engagement Plan

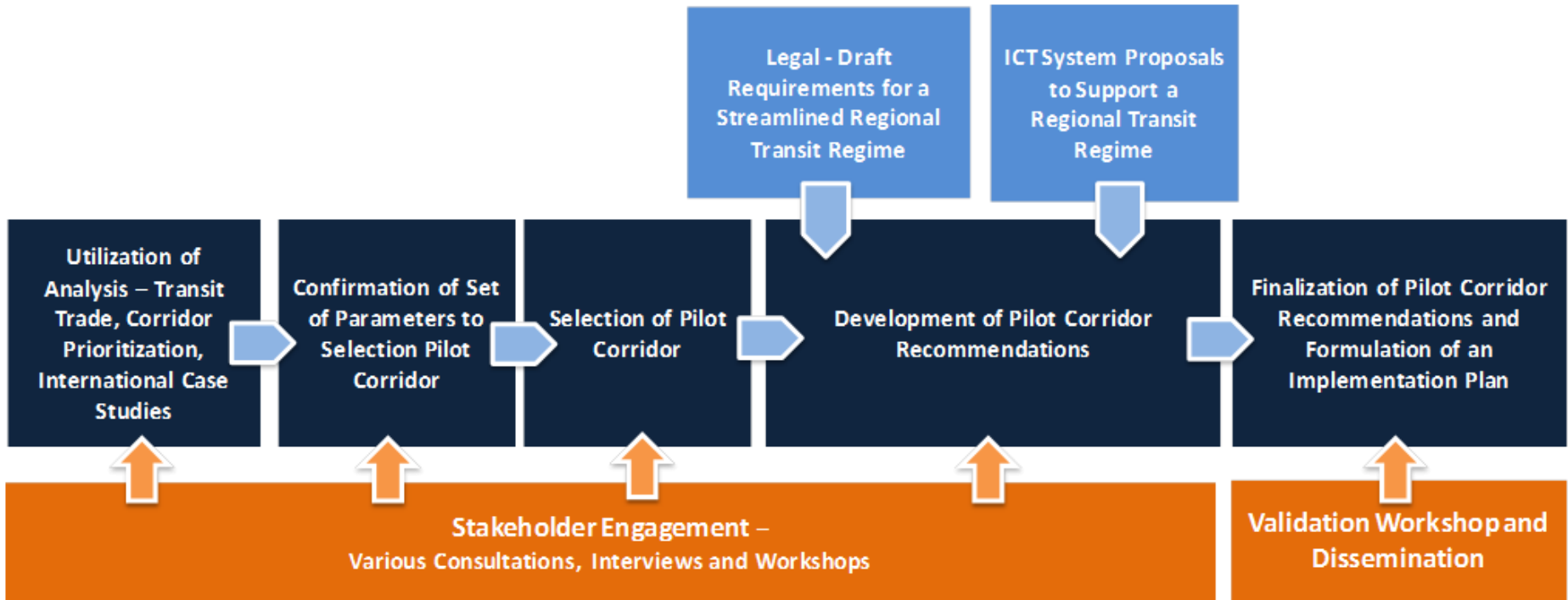
■ Objectives of Task Group 1

- I. To assess and confirm the major transit flows along CAREC corridors;
- II. To review current transit systems and identify opportunities and constraints; and
- III. To provide a platform of baseline data required for Task Group 2.

■ Objectives of Task Group 2

- I. To provide analysis of existing international and regional transit guarantee systems in order to extract best practices.
- II. To develop a pilot regional guarantee scheme along a corridor.

Process Development of a Regional Guarantee Scheme along a Pilot Corridor



■ Objectives of Task Group 3

- I. To clearly establish the requirements of each national legal and regulatory system.
- II. To minimise additional legislation requirements by assessing compatibility between/among the countries' national transit laws and regulations.
- III. To prepare a set of draft requirements for a regional transit regime that takes into consideration national and international dimensions.

■ Objectives of Task Group 4

- I. To clearly establish the requirements of each national legal and regulatory system.
- II. To minimise additional legislation requirements by assessing compatibility between/among the countries' national transit laws and regulations.
- III. To prepare a set of draft requirements for a regional transit regime that takes into consideration national and international dimensions.

Stakeholder Engagement Plan

Stakeholder Questionnaire (October, 2014)

- For customs administrations, national international road transport associations, ministries of transport, and 1 or 2 major transport operators per country.

Inception Workshop (November, 2014)

- To present the inception report
- Interactive platform for stakeholders to comment on key issues relating to regional transit trade

Meetings and Interviews (Jan - Feb, 2014)

- PADECO's experts will arrange and attend a series of meetings with key stakeholders. Previously distributed questionnaires will be compiled and the comments discussed

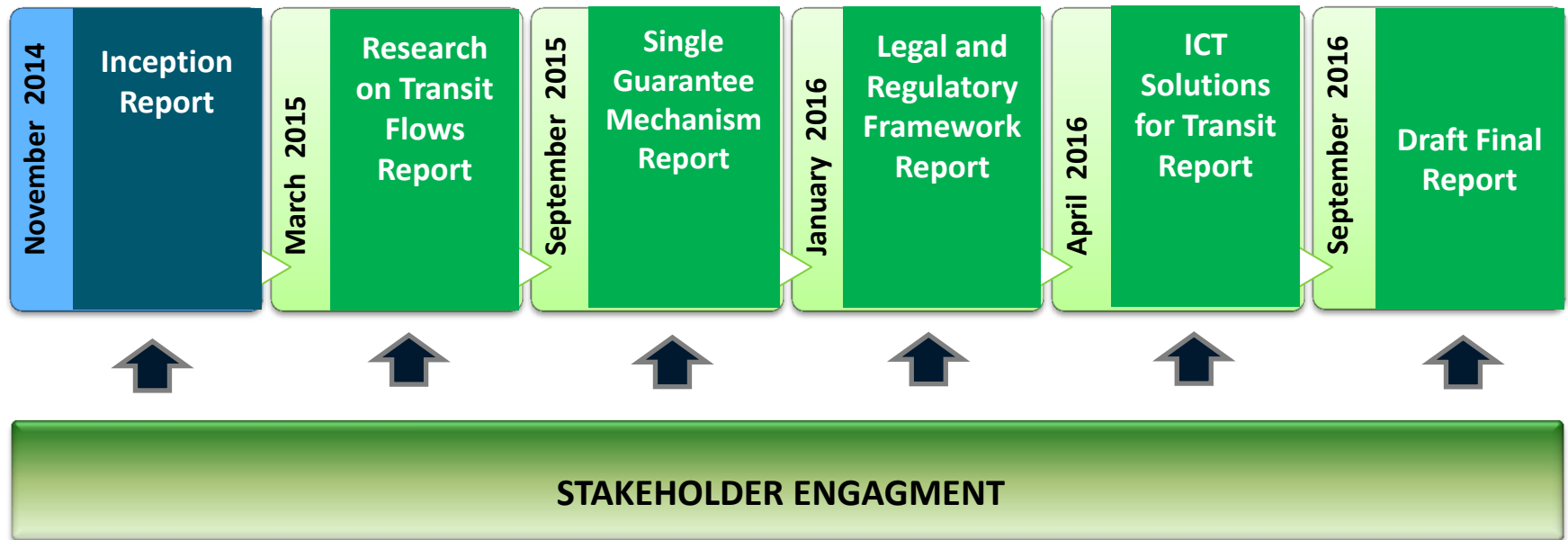
Task Based Workshops to Present and Discuss Findings (April 2015 - May 2016)

- Task Group 1 Findings Workshop
- Task Group 2 Findings Workshop
- Task Group 3 Findings Workshop
- Task Group 4 Findings Workshop

Validation Workshop (November, 2016)

- To communicate the results of the TA and all its deliverables, and seek final consensus and closing comments from key stakeholders

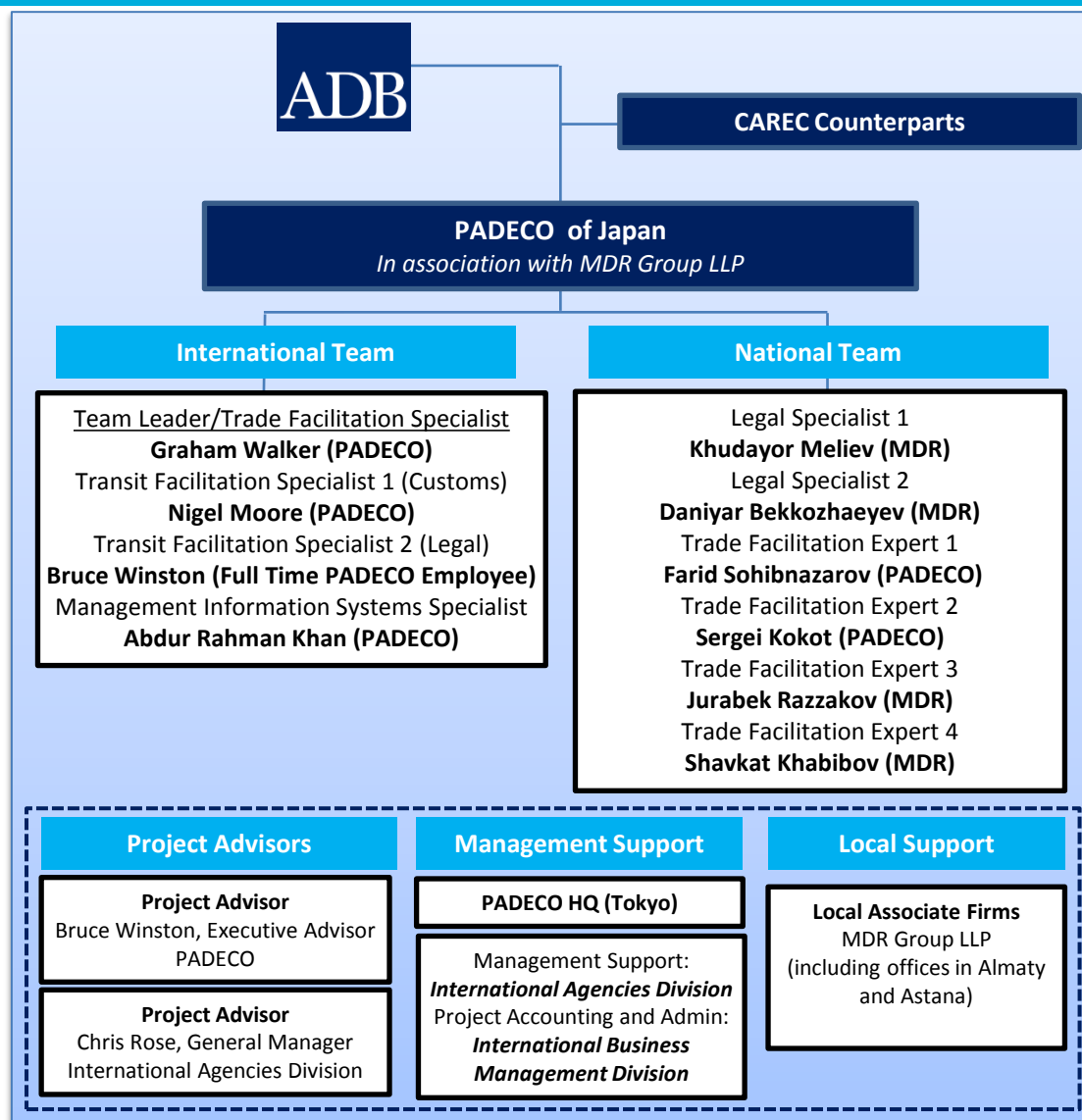
Summary of Deliverables and Program



Lessons Learnt from Previous CAREC TAs

- **Setting concise and realistic objectives**
- **Obtaining early and meaningful engagement** from all countries
- **Quality of baseline data**
- **Corridors treated in their entirety** and that border control points are regarded holistically as pairs or sets along CAREC corridors
- **Understanding of each country's situation and needs** including political factors
- **Consideration of other development partners** trade corridor improvement programmes in the region to attain synergy in efforts.

Project Organization and Contact Information



CONTACT INFORMATION

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